

# Arizona Health Care Cost Containment System

## Arizona Long Term Care System (ALTCS) Initiation of Home and Community Based Services For Elderly and Physically Disabled Members



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*“Our first care is your health care”*



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## **ABSTRACT**

Home and Community-Based Services (HCBS) provide a wide array of services which assist with activities of daily living (ADLs) for older adults and/or those with disabilities so they can remain in their homes rather than an institutional facility such as a nursing home. The Arizona Health Care Cost Containment System (AHCCCS) HCBS Program was introduced to offer members and families the opportunity to actively participate in the selection of services that will best meet the needs of the member. The HCBS program has proven to be a cost effective alternative to institutional care. AHCCCS, Arizona's Medicaid program, requires services for HCBS members to be initiated within 30 days of enrollment into the Arizona Long Term Care System (ALTCS).

The data in this report assesses the percentage of newly placed Elderly and Physically Disabled (E/PD) HCBS members who received specific services within 30 days of enrollment, both overall and by contracted health plan (Contractors). The methodology used includes a random sample from each Contractor for the contract year end (CYE) 2012 measurement period (October 1, 2011 through September 30, 2012). The findings indicate each Contractor met the Minimum Performance Standard, which is 92 percent. Contractor rates ranged from 100 percent to 93.3 percent with the aggregate rate being 96.3 percent.

## **Arizona Long Term Care System (ALTCS) Initiation of Home and Community Based Services for Elderly and Physically Disabled Members, CYE 2011**

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### **INTRODUCTION**

Americans regardless of age, gender, race or ethnicity want the same opportunities; the ability to have successes and achievements as well as own their independence. Each wants to be in control of their own lives so they may go to work, church, school and even explore their communities with family and friends if they so choose. In the past, elderly and physically disabled populations have not always been able to do such. In fact any abilities a person maintained seemed to become irrelevant when one was identified as having a disability or reached a certain age. Through strong advocacy, these ideas shifted into a different understanding; these populations can receive a wide variety of needed services and remain in their own homes and communities, thus allowing them to maintain their dignity and independence.

The Arizona Health Care Cost Containment System (AHCCCS) has implemented a long-term care program through the Arizona Long Term Care System (ALTCS), which strongly supports opportunities for individuals enrolled in the ALTCS program to live in a home or community based setting (HCBS). The ALTCS program supports values of: choice, independence, self-determination, dignity and individuality. Guiding principals have also been established under the belief that every effort should be made to support the ability of individuals to reside in HCBS settings. These guiding principles are:

- Members-centered case management
- Accessibility of network
- Collaboration with stakeholders
- Consistency of services
- Most integrated setting

Millions of Americans require long term care services and supports to assist them with activities of daily living. Activities of daily living include: toileting, dressing, grooming, bathing, eating and walking. Long term care consists of a variety of medical and social services to help meet the health and personal needs of individuals with a chronic illness or disability. Most prefer to receive these services in their home in order to maintain their dignity, privacy and independence while being closer to their families rather than residing in an institutional facility, such as a nursing home.

Medicaid has become the largest payer of these services in the nation, financing 43 percent of all long term care services.<sup>1</sup> Nationally, Medicaid long term care recipients make up 6 percent of the Medicaid population but account for nearly half of its spending.<sup>1</sup> In addition, nearly half of Medicaid long-term care spending goes toward institutional care while 29 percent is spent on community-based care.<sup>1</sup> A study conducted by Met Life in 2011 indicate the average national price for home care is \$20,800 annually, followed by assisted living at a rate of \$41,742 annually for a basic package, and the average cost of a nursing home is \$78,235 for a semi-private room.<sup>2</sup>

The need for long term care services in the United States is on the rise, with the older population projected to grow significantly between 2010 and 2030 as a result of the “baby boom” generation

reaching 65 years of age and the life expectancy of people with disabilities increasing due to medical advances and enhanced living conditions.<sup>3</sup> Nationally, 58 percent of this population is 65 years or older while the remaining 42 percent is under 65.<sup>4</sup>

### **AHCCCS HCBS PROGRAM**

AHCCCS has provided HCBS through a waiver from the Centers for Medicare and Medicaid Services (CMS) since 1989. Through ALTCS, AHCCCS provides comprehensive coverage for HCBS members residing in their own homes or approved alternative residential settings, such as assisted living facilities or group homes. Covered services include care such as home health nursing, attendant or personal care, and home delivered meals. Members may designate a family member or friend to provide attendant care. After completion of training, these caregivers may be paid by AHCCCS.

As of September 2012, there were 25,989 ALTCS Elderly and Physically Disabled (E/PD) members served by AHCCCS; 33 percent were ages 0-64 years and 67 percent were 65 years of age or older. Of those, 72.7 percent resided in home and community-based settings. By providing a variety of alternative settings along with a wide array of HCBS options, ALTCS members are able to delay institutionalization for a longer period of time and some are able to transfer from an institutional setting to their home or other community-based settings.

Once eligibility for ALTCS is determined, based on financial and medical criteria, members enroll with a contracted health plan (Contractor). Each member is assigned a case manager who coordinates care with the member's primary care physician (PCP) and other providers, addresses and coordinates service delivery, and modifies the member's care plan based on changes in health status. Case managers visit new members and assess needs to determine the most appropriate services and placement setting. AHCCCS requires that Contractors initiate home and community-based services within timelines to meet members' medical needs, but no later than 30 calendar days from the member's date of enrollment. To ensure that member needs continue to be met in the most appropriate setting, case managers reassess members' physical and functional status at regular intervals and AHCCCS monitors the ongoing provision through regular reviews of Contractor operations.

AHCCCS annually measures the percentage of newly placed E/PD HCBS members who receive specific services within 30 days of enrollment. This measurement is conducted to determine individual Contractor compliance with contract performance standards as well as to analyze overall rates of initiation of services for HCBS members. It should be noted that this measurement does not include all covered home and community-based services. For example, emergency-alert and home-modification services are not included because they are typically provided in conjunction with nursing, personal care or other supportive services. This measurement focuses on the health-related services that allow ALTCS members to remain in their homes as long as possible.

*Purpose:*

The purpose of this performance measure is to monitor the performance of the AHCCCS Contractors who provide services to the ALTCS members. This measure evaluates the percentage of newly placed HCBS ALTCS members who received specific home and community based services within 30 days of enrollment, overall and by Contractor.

*Methodology:*

The measurement period for the current study was October 1, 2011 through September 30, 2012. A representative random sample was selected for each Contractor. The sample frame consisted of E/PD members who:

- were enrolled for 30 days or more with an ALTCS Contractor during the measurement period,
- were newly placed in an HCBS setting, other than an assisted living facility, and
- were not ventilator-dependent, as Contractors are required to initiate services to those members within 14 days of enrollment.

Excluded from this study were members who died, were hospitalized, were receiving hospice services, or refused services when these situations were documented as occurring within 30 days of enrollment.

Data was first collected from the AHCCCS encounter data (records of claims paid by Contractors). If initiation of services within 30 days of enrollment were not found in the AHCCCS encounter data, Contractors were asked to provide information from medical or case management records or their claims data. Contractor-submitted data was validated against supplemental documentation, such as copies of the pertinent sections of case management records, medical/service records from providers, or verification of claims paid by Contractors for qualifying services.

*Minimum Performance Standards and Goals:*

AHCCCS has established a Minimum Performance Standard (MPS) that Contractors must achieve. This standard is specified in the Contract Year Ending (CYE) 2012 ALTCS E/PD contract.

Measure	MPS	Goal
HCBS services within 30 days	92%	98%

If a Contractor does not meet the minimum performance standard, a Corrective Action Plan (CAP) must be implemented and the Contractor may face a financial sanction if the measure fails to show a significant improvement. AHCCCS also has set a goal that Contractors must strive to meet if they are already meeting the minimum performance standards.

## RESULTS AND ANALYSIS

The study sample included 400 HCBS members enrolled with three different ALTCS Contractors. Of those, 48 people were excluded for one of six different reasons as indicated on Table 1.

**Table 1: Study Exclusions**

Reasons for Exclusions	
Assisted living/nursing facility	10
Admitted to Hospital	1
Received Hospice service	6
Refused services	19
Awaiting designated caregiver to be trained	12
Died	0
<b>Total:</b>	<b>48</b>

Among the remaining 352 members, 96.3 percent received services within 30 days of enrollment, a non-statistically significant decrease from the previous rate of 97.3 percent ( $p=.507$ ). All three Contractors met the Minimum Performance Standard and one achieved the AHCCCS Goal. Contractor specific performance is shown in Table 2.

**Table 2: Initiation of Home and Community Based Services, By Contractor**  
Measurement Period: Oct. 1, 2011 through Sept. 30, 2012

*Minimum Performance Standard: 92%*

Contractor	Percent who Received Service Within 30 Days	Relative Percent Change	Statistical Significance
Bridgeway Health Solutions	93.3%	-1.6%	$p=.648$
	94.9%		
Evercare Select	95.7%	0.6%	$p=.865$
	95.1%		
Mercy Care Plan	100.0%	0.0%	N/A
	100.0%		
TOTAL	96.3%	-0.1%	$p=.507$
	97.3%		

Notes:

- A change in a rate from the previous measurement is considered statistically significant when  $p < .05$ .
- Shaded rows show results of previous measurement, Oct. 1, 2010, through Sept. 30, 2011.

There was no significant difference in performance rates between rural and urban counties or by members' race or ethnicity.

### **DATA QUALITY AND RELIABILITY**

AHCCCS conducts validation studies to evaluate the completeness of its encounter data. To validate additional information collected by Contractors, AHCCCS requires documentation of services provided or reasons why a member did not receive services. Documentation provided by Contractors included copies of the pertinent sections of case management records, medical/service records from providers, or verification of claims paid by Contractors for qualifying services. These documents were reviewed by AHCCCS staff with expertise in ALTCS case management.

### **DISCUSSION**

Given the variety and complexity of members' needs and personal situations when they enroll in the ALTCS program, Contractor case managers face distinct challenges in ensuring that enrollees have prompt access to home and community based services that fit with their individual choices and needs. Despite these challenges, the overwhelming majority of new ALTCS members placed in HCBS settings receive services within 30 days of enrollment.

Since much of the data for this measure is collected from case management records when claims or encounters for services are not available, Contractors must ensure that case managers thoroughly and consistently document when home and community-based services are initiated for new members or when members or authorized representatives refuse services. Over the past few years, AHCCCS has worked with Contractors to improve this documentation and AHCCCS continues to monitor to ensure appropriate documentation practices are in place.

### **QUALITY IMPROVEMENT INITIATIVES**

ALTCS Contractors have developed numerous initiatives over the years to enhance the quality of life of HCBS members, several of which facilitate timely access to care. These include:

- Monitoring service provision to HCBS members within one to two weeks of enrollment. Contractor reports are run at regular intervals and provided to case managers for follow-up as necessary.
- The use of automated case management systems, which can be used to track timelines of service initiation and generate reminders for case managers to follow up.
- The development of multi-disciplinary teams that coordinate case management, medical management and quality management staff to more closely monitor needs of members in the HCBS program and to facilitate the development of new ways to facilitate timely access to care.

## **CONCLUSIONS**

AHCCCS raised the minimum performance level in 2008 in order to encourage continued improvement. As a result, ALTCS Contractors implemented interventions that have continued to lead to overall improvement and continued progress toward the long-range goal of ensuring timely initiation of services for members in home and community based settings. Two of three Contractors maintained their success rate, while one showed a non-statistically significant decline; however, all Contractors were above the MPS. The three Contractors will continue to monitor the initiation of home and community based services to ensure members receive appropriate and timely services. AHCCCS encourages all Contractors to strive to achieve the AHCCCS goal of 98 percent for CYE 2013.

## Works Cited

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